

**PLAINTIFFS**  
**EXHIBIT**  
190

Retrospective Premium =  $\frac{[(\text{Standard Premium}) \times (\text{Basic Premium Factor}) + (\text{Incurred Losses} \times \text{Loss Conversion Factor})] \times \text{Tax Multiplier}}{1}$

**{Fixed Cost Component}**

Sum of the Payroll x Rates for Each Classification	Administrative Expenses
Experience Modification Factor Applies to the Sum	Broker Commissions
	Loss Control Services
	Premium Audit Expenses
	Insurance Charges for Claims Greater than Maximum Factor
	Allocated Loss Adj. Exp. For Claims In Excess of Maximum Premium
	Contingency Expenses
	Profit

**{Variable Cost Component}**

Paid Medical	Allocated Loss Adjustment Expenses
Medical Reserves	Unallocated Loss Adjustment Expenses
Paid Indemnity	
Indemnity Reserves	

Taxes on Premium Collected
Licenses
Fees
Assessments

Retrospective Premium is Subject to Minimum and Maximum Premium Factors

$$\text{Minimum Premium} = \text{Standard Premium} \times \text{Minimum Premium Factor}$$
$$\text{Maximum Premium} = \text{Standard Premium} \times \text{Maximum Premium Factor}$$